

FISCAL NOTE

SB 605 - HB 1806

April 1, 2007

SUMMARY OF BILL: Creates a tiered permitting system for water pollution permits based upon the applicants history with the Department of Environment and Conservation. Provides for mandatory penalties for violations of the Water Quality Control Act (WQCA).

ESTIMATED FISCAL IMPACT:

Increase State Revenues – Exceeds \$500,000

**Increase State Expenditures - \$9,436,000/Recurring
\$818,000/One-Time**

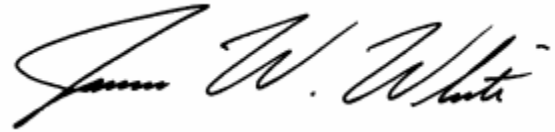
Assumptions:

- Approximately 3,500 sites subject to permitting statewide.
- According to a search of the departments current database, 92.4% (3,234) of all permit holders would be classified as first-time applicants which would result in such applicants being required to obtain an individual probationary permit subject to inspection an average of eight times during the permit period.
- The department would require 142 additional environmental protection specialists due to an increase of approximately 26,000 (3,234 X 8 = 25,872) additional site visits and writing 3,234 additional probationary permits each year.
- The department would require four additional accounting staff persons to manage an additional 720 bonds per year according to the provisions of the bill.
- An increase in recurring state expenditures of \$9,436,000 for the required staff and related recurring expenses.
- A one-time increase in state expenditures of \$818,000 attributable to the costs for landscaping and computer hardware and software related to the additional positions.

- An increase in state revenues exceeding \$500,000 attributable to increased fee and penalty collections.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large, stylized "J" and "W".

James W. White, Executive Director